

EXHIBIT A

W3

BluePages Search HelpNow Feedback

Incentive Plan Letter > Print version

View Letter

IBM Confidential

Letter dates/status:

Accepted date:	30/01/2006
Status:	Accepted
HR status:	HR approved

Employee details:

Incentive plan year:	2006
Name:	David A. Kavitz
Name in local language:	David A. Kavitz
Serial number:	5A8152
Country:	897 - UNITED STATES
Organization:	SSW - Software Group
Business unit:	WCH - SW/Channels/Sales
Department:	NVXA
First plan date of current year:	01/01/2006
Manager of eligible employee	Andre Temidis
Name:	
Manager of eligible employee - Serial:	5A8785
Manager of eligible employee - Cty:	897 - UNITED STATES
Manager of eligible employee -	Hugh
Second level:	Flannery/Edison/IBMUS
Role:	Rep BP Info
Role level:	Mgmt Strategic
Assigned coverage model:	Partner
Coverage id:	Eligible
Preferred route to market:	employee
	TERR -
	TERRITORY
	6 - Solution
	Provider / Core
	BP

Plan details:

Plan start date:	01/01/2006	Plan end date:	31/12/2006
Plan type/name:	SW291 - 55/45 - 55/20/25		
Plan calc type:	% of TI		
Plan length:	Annual		
Base pay %:	54.67	Target incentive %:	45.33
OTE %:	150.00	Full year/assigned:	F

EXHIBIT A 184

Incentive element details:**PR1**

Revenue

Weight:	55.00 % of	Ind/ Small team/ Large team:
	TI	I
Main / overlay:	P	Currency Ind:
Measurable via system:		P
Total quota:		1,725,806.00

Unit of measure:

Revenue

Territory description in Information Management OEM Named
English: Accounts**SEC**

Revenue

Weight:	20.00 % of	Ind/ Small team/ Large team:
	TI	I
Main / overlay:	P	Currency Ind:
Measurable via system:		P
Total quota:		1,137,647.00

Unit of measure:

Revenue

Territory description in Information Management OEM Named
English: Accounts**6TH**

Challenges

Weight:	25.00 % of
	TI

OTHER IMPORTANT INFORMATION**Right to Modify or Cancel:**

This document states IBM's policies and procedures as they exist

EXHIBIT A 2007

at the time of publication. The Incentive Plan is described in detail on the Internal Incentive Plan Website (I-Plan®), and you should rely on the information provided on the Website for complete and up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms, including but not limited to any quotas and target incentives, or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms. Because of the need for confidentiality, decisions regarding changes to IBM's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether IBM will or will not change or adopt any particular compensation plan; nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about the impact potential Plan changes may have on their personal situations unless and until any such changes are formally announced by IBM.

Advances:

Periodic distributions you may receive under the Plan are advances paid to you prior to your earning of the incentive. Because Incentive Plan quotas or similar sales objectives for annual plans are designed based on full year performance results, 2006 incentives are earned on January 31, 2007, provided the following conditions have been met: (1) you have complied with the Incentive Plan; (2) you have not engaged in any fraud or misrepresentation relating to any of your sales transactions or incentives; and (3) the customer has paid the invoice for the sales transaction related to your incentive. If any of the foregoing conditions have not been met, then the incentive is not earned. Deductions for overpayments may be made from advances paid to you up until the date those advances become earned incentives.

Progress Reports:

Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary:

Any incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Significant Transactions:

IBM Management reserves the right to review and, in its sole discretion, adjust incentive payments associated with transactions: (1) which are disproportionate when compared with the territory opportunity or quota size; or (2) for which the incentive payments are disproportionate when compared with the individual's performance contribution towards the transactions.

EXHIBIT A 3054

Payment Thresholds:

For Plans with minimum periodic thresholds for specific incentive elements, those minimum targets must be met for the related periodic incentive payment to be released. Target Incentive earnings opportunities assume achievement of all applicable minimum periodic thresholds. For specific threshold criteria, if any, that apply to your incentive Plan, view your full Plan details using the link to the Incentive Plan Website provided above.

Applicability:

In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

Manager Comments:

FMS build 5.5 (5.5.1.1)

Exhibit A 4 DRAFT

EXHIBIT B



For your acceptance / acknowledgement: WCH 5A8152 David A. Kavitz's

incentive plan letter

Andre Temidis to: David Kavitz

01/20/2006 01:35 PM

Default custom expiration date: 01/20/2007

An Incentive Plan Letter has been created for you by your manager Andre Temidis.

To view the letter in the FMS website, please click [here](#).

INTRANET ID AND PASSWORD

- Your IBM Intranet Id and password will be required to access the FMS website.
- To set up a new Intranet Id and password or to reset your existing Intranet Id, please access the website
<http://w3.ibm.com/profile/update/password/en-us/index.html>

Need more information ?

- The FMS User Guide is available from the Help option in the navigation panel.

EXHIBIT C



David
Kavitz/Chicago/IBM@IBMMUS
01/30/2007 06:05 PM
Default custom expiration date of 01/30/2008

To Andre Temidis/New York/IBM@IBMMUS
cc
bcc
Subject For your information: WCH SA8152 David A. Kavitz's incentive plan letter is now ACCEPTED

An Incentive Plan Letter which was created by you for the representative David A. Kavitz (serial number SA8152) is now ACCEPTED.

EXHIBIT D

2006 WW Letter Disclaimers Release3x -November 28 2005

Worldwide Standard Incentive Letter Disclaimers for 2006

Date of this document: November 28, 2005
Release 3 for posting to the WW PDM Teamroom
Replaces Release 2 of October 10.
James Brewer/Southbury/IBM@IBMU\$

Release 3 changes Release 2 in only one way: the three standard Lenovo disclaimers have been added (see the last three pages of the document).

The PDM Change Database will be used to identify Lenovo PDTs and verify the Letter Versions to be used with each.

"Default Letter Versions in PDM Exports"

The PDM export process will default to a disclaimer Letter Version Number based on a PDT's plan type, plan length, and business unit organization. If a PDT requires a Letter Version Number different from the default, the Geo FMS team must manually update the FMS Plan parm to associate the PDT with the needed Letter Version Number.

In addition, it is possible for a default Letter Version Number to reflect a disclaimer that does not fit any of the PDTs for which you will send letters. For example, a country or business unit may have no PDTs for perform bonus, and therefore Letter Version 03 or 05 would not be included in a default export. Later in the year, however, if a PDT for perform bonus were created for that country or business unit, Letter Version 03 or 05 would be available for export.

The current default export logic is as follows:

PDM Plan Type	Plan Length	Organization	Default Letter Version #
SL (sales leverage)	12 months	S&D / IGF (All Orgs except SW, IGS & BCS)	01
SL (sales leverage)	12 months	SWG	02
SL (sales leverage)	12 months	IGS / BCS	06
SL (sales leverage)	06 months	S&D / IGF (All Orgs except SW, IGS & BCS)	07
SL (sales leverage)	06 months	SWG	10
SB (sales bonus)	12 months	all	04
EL & EB (Executive)	all	IGS / BCS	09
EL & EB (Executive)	all	S&D / IGF (All Orgs except IGS & BCS)	08*
PB** (bonus)	12 months	IGS / BCS**	03**
PB*** (bonus)	12 months	***Printer (PD)	05***

* Letter Version 08 must be reconciled to confirm that no non-executive PDTs were assigned to it during the PDM default export. If any were, they are exceptions that must be corrected manually.

** There may not be any "perform bonus" plan types in 2006. But a list of exception IGS / BCS bonus PDTs will be provided in the PDM Change Database to be associated with Letter Version 03.

*** Current printer plan design will not require this perform bonus disclaimer. It is included here in case it is needed at a later time.

Some disclaimers are not supported by default logic and must be manually associated. These include:

PDM Plan Type	Plan Length	Organization	Manual Letter Version #
Leverage	n/a	Lenovo	51
Bonus	n/a	Lenovo	54
Executive	n/a	Lenovo	59
SL & EL (sales leverage & executive leverage)	all	A&D*	12

* "A&D" (Acquisitions and Divestitures) means any PDT specifically created to manage incentives for employees on a transitional plan during the calendar year of an acquisition.

TEXT A: This text is used for annual sales leverage plans;
PDM default export Letter Versions are 01 (S&P), 02 (SWG), and 06 (IGS/BCS).

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: This document states IBM's policies and procedures as they exist at the time of publication. The Incentive Plan is described in detail on the internal Incentive Plan Website: <http://w3.ibm.com/hr/global/salesincentives/> ("Plan"), and you should rely on the information provided on the Website for complete and up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms, including but not limited to any quotas and target incentives, or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms. Because of the need for confidentiality, decisions regarding changes to IBM's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether IBM will or will not change or adopt any particular compensation plan; nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about the impact potential Plan changes may have on their personal situations unless and until any such changes are formally announced by IBM.

Advances: Periodic distributions you may receive under the Plan are advances paid to you prior to your earning of the incentive. Because Incentive Plan quotas or similar sales objectives for annual plans are designed based on full year performance results, 2006 incentives are earned on January 31, 2007, provided the following conditions have been met: (1) you have complied with the Incentive Plan; (2) you have not engaged in any fraud or misrepresentation relating to any of your sales transactions or incentives; and (3) the customer has paid the invoice for the sales transaction related to your incentive. If any of the foregoing conditions have not been met, then the incentive is not earned. Deductions for overpayments may be made from advances paid to you up until the date those advances become earned incentives.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Significant Transactions: IBM Management reserves the right to review and, in its sole discretion, adjust incentive payments associated with transactions: (1) which are disproportionate when compared with the territory opportunity or quota size; or (2) for which the incentive payments are disproportionate when compared with the individual's performance contribution towards the transactions.

2006 WW Letter Disclaimers Release3x -November 28 2006

Payment Thresholds: For Plans with minimum periodic thresholds for specific incentive elements, those minimum targets must be met for the related periodic Incentive payment to be released. Target Incentive earnings opportunities assume achievement of all applicable minimum periodic thresholds. For specific threshold criteria, if any, that apply to your incentive Plan, view your full Plan details using the link to the Incentive Plan Website provided above.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

TEXT B: This text is used for semiannual sales leverage plans;
PDM default export Letter Versions are 07 (S&D) and 10 (SWG).

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: This document states IBM's policies and procedures as they exist at the time of publication. The Incentive Plan is described in detail on the Internal Incentive Plan Website: <http://w3.ibm.com/hr/global/salesincentives/> ("Plan"), and you should rely on the information provided on the Website for complete and up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms, including but not limited to any quotas and target incentives, or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms. Because of the need for confidentiality, decisions regarding changes to IBM's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether IBM will or will not change or adopt any particular compensation plan; nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about the impact potential Plan changes may have on their personal situations unless and until any such changes are formally announced by IBM.

Advances: Periodic distributions you may receive under the Plan are advances paid to you prior to your earning of the incentive. Because Incentive Plan quotas or similar sales objectives for semiannual plans are designed based on full-period (six month) performance results, first half 2006 incentives are earned on July 31, 2006 and second half 2006 incentives are earned on January 31, 2007, provided the following conditions have been met: (1) you have complied with the Incentive Plan; (2) you have not engaged in any fraud or misrepresentation relating to any of your sales transactions or incentives; and (3) the customer has paid the invoice for the sales transaction related to your incentive. If any of the foregoing conditions have not been met, then the incentive is not earned. Deductions for overpayments may be made from advances paid to you up until the date those advances become earned incentives.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any Incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Significant Transactions: IBM Management reserves the right to review and, in its sole discretion, adjust incentive payments associated with transactions: (1) which are disproportionate when compared with the territory opportunity or quota size; or (2) for which the incentive payments are disproportionate when compared with the individual's performance contribution towards the transactions.

2006 WW Letter Disclaimers Release3x -November 26 2006

Payment Thresholds: For Plans with minimum periodic thresholds for specific incentive elements, those minimum targets must be met for the related periodic incentive payment to be released. The Incentive Amount opportunities herein assume achievement of all applicable minimum periodic thresholds. For specific threshold criteria, if any, that apply to your Incentive Plan, view your full Plan details using the link to the Incentive Plan Website provided above.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

TEXT C: This text would be used for a printer bonus plan with an organization code of PD and a plan type of PB; at this time there are none planned for 2006; the text is included here in case one is subsequently required; PDM default export would be Letter Version 05.

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: This document states IBM's policies and procedures as they exist at the time of publication. The Incentive Plan is described in detail on the internal Incentive Plan Website: <http://w3.ibm.com/hr/global/salesincentives/> ("Plan"), and you should rely on the information provided on the Website for complete and up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms. Because of the need for confidentiality, decisions regarding changes to IBM's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether IBM will or will not change or adopt any particular compensation plan; nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about the impact potential Plan changes may have on their personal situations unless and until any such changes are formally announced by IBM.

Employment Status: IBM's obligation to make a bonus payment under this Plan is subject to the following conditions: 1) that the individual qualifying for the bonus is an active employee of the IBM Company or its subsidiary as of December 31st of the Plan year, except for retirement under a company plan, approved leave of absence, death, or disability; and 2) that the individual qualifying for the bonus was on the Plan for a minimum of 90 consecutive calendar days during 2006.

Bonus Payments: IBM management will determine, in its sole discretion, which employees, if any, will receive a bonus payment, and the amount of any such bonuses. Bonus incentives are earned when paid, and no one becomes entitled to payment under the Plan in advance of his or her receipt of the payment.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

TEXT D: This text will be used for certain pre-defined exception IGS / BCS bonus plans; Letter Version 03 will be manually assigned to a defined set of PDTs.

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: This document states IBM's policies and procedures as they exist at the time of publication. The Incentive Plan is described in detail on the internal Incentive Plan Website: <http://w3.ibm.com/hr/global/salesincentives/> ("Plan"), and you should rely on the information provided on the Website for complete and up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms. Because of the need for confidentiality, decisions regarding changes to IBM's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether IBM will or will not change or adopt any particular compensation plan; nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about the impact potential Plan changes may have on their personal situations unless and until any such changes are formally announced by IBM.

Employment Status: IBM's obligation to make a bonus payment under this Plan is subject to the following condition: that the individual qualifying for the bonus is an active employee of the IBM Company or its subsidiary as of December 31st of the Plan year, except for retirement under a company plan, approved leave of absence, death, or disability.

Bonus Payments: IBM management will determine, in its sole discretion, which employees, if any, will receive a bonus payment, and the amount of any such bonuses. Bonus incentives are earned when paid, and no one becomes entitled to payment under the Plan in advance of his or her receipt of the payment.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

2006 WW Letter Disclaimers Release3x -November 28 2005

**TEXT E: This text is used for sales bonus plans;
PDM default export Letter Version is 04.**

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: This document states IBM's policies and procedures as they exist at the time of publication. The Incentive Plan is described in detail on the Internal Incentive Plan Website: <http://w3.ibm.com/hr/global/sales/incentives/> ("Plan"), and you should rely on the information provided on the Website for complete and up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms. Because of the need for confidentiality, decisions regarding changes to IBM's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether IBM will or will not change or adopt any particular compensation plan; nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about the impact potential Plan changes may have on their personal situations unless and until any such changes are formally announced by IBM.

Bonus Payments: IBM management will determine, in its sole discretion, which employees, if any, will receive a bonus payment, and the amount of any such bonuses. Bonus incentives are earned when paid, and no one becomes entitled to payment under the Plan in advance of his or her receipt of the payment.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any Incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

2006 WW Letter Disclaimers Release3x -November 28 2005

TEXT F: This text is used for executive plans;
PDM default export Letter Versions are 09 (IGS / BCS) and 08 (S&D / IGF).

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: This document states IBM's policies and procedures as they exist at the time of publication. The Incentive Plan is described at the executive compensation website: <http://w3.ibm.com/hr/exec/comp/index.shtml> ("Plan"), and you should rely on the information provided on the Website for up-to-date information. The Plan does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms, including but not limited to any quotas and target incentives, or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms.

Employment Status: For you to be eligible for incentive payments under this Plan, you must be an active employee of the IBM Company or its subsidiary at the time of payment. However, if you are not an active employee because of retirement under a company plan, or a company divestiture, or an approved leave of absence or medical disability, or death, IBM management will determine, in its sole discretion, if all or a portion of the incentive qualifies for payment.

Advances: Periodic distributions, if any, you may receive under the Plan are advances paid to you prior to your earning of the incentive. Because Incentive Plan objectives are designed based on full-year performance results, your 2006 Incentives are earned on January 31, 2007, provided the following conditions have been met: (1) you have complied with the Incentive Plan; and (2) you have not engaged in any fraud or misrepresentation relating to any of your transactions or incentives. If any of the foregoing conditions have not been met, then the incentive is not earned. Deductions for overpayments may be made from any advances paid to you up until the date those advances become earned incentives.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to you during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Significant Transactions: IBM Management reserves the right to review and, in its sole discretion, adjust incentive payments associated with transactions: (1) which are disproportionate when compared with the territory opportunity or quota size; or (2) for which the incentive payments are disproportionate when compared with the individual's performance contribution towards the transactions.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

TEXT G: This text is for "A&D" transitional plans following acquisitions; there is no PDM default; Letter Version 12 will be manually assigned to the PDTs.

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: The IBM Incentive Plan (the "Plan") does not constitute an express or implied contract or a promise by IBM to make any distributions under it. IBM reserves the right to adjust the Plan terms, including but not limited to any quotas and target incentives, or to cancel the Plan, for any individual or group of individuals, at any time during the Plan period up until any related incentive payments have been earned under its terms.

Advances: Periodic distributions, if any, you may receive under the Plan are advances paid to you prior to your earning of the incentive. Because Incentive Plan objectives are designed based on full-year performance results, 2006 incentives are earned on January 31, 2007, provided the following conditions have been met: (1) you have complied with the Incentive Plan; and (2) you have not engaged in any fraud or misrepresentation relating to any of your transactions or incentives. If any of the foregoing conditions have not been met, then the incentive is not earned. Deductions for overpayments may be made from any advances paid to you up until the date those advances become earned incentives.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by IBM to make any specific distributions to any employee.

Salary: Any incentive opportunity communicated to you which includes some aspect of salary in the calculation reflects the salary in effect on the date such communication was prepared. Actual earnings opportunities will take into account any salary adjustments that may be made during the year.

Significant Transactions: IBM Management reserves the right to review and, in its sole discretion, adjust incentive payments associated with transactions: (1) which are disproportionate when compared with the territory opportunity or quota size; or (2) for which the incentive payments are disproportionate when compared with the individual's performance contribution towards the transactions.

Transitional Data: Note that until the transition from your previous company incentive plan to your new IBM incentive plan is complete, some information appearing on commission statements might not directly correspond to unique provisions that apply to you during the transition. Additional related information will be communicated to you, either in another section of your incentive plan letter or in a separate document, to ensure your understanding of how your incentive payments are earned.

Applicability: In the event any provision of this Disclaimer is held to be invalid or unenforceable, the remaining provisions of this Disclaimer remain in full force and effect.

END OF DISCLAIMER

2006 WW Letter Disclaimers Release3x -November 28 2005

The following pages contain the 3 standard Lenovo disclaimers approved for use in 2006.

2006 WW Letter Disclaimers Release3x -November 28 2005

Lenovo Executive Sales Plans = Letter Version S9

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: The terms and conditions of the Incentive Plan are contained in the Plan documents provided to you by your Lenovo management team (the "Plan"). Lenovo management reserves the right to adjust the Plan terms or to cancel or otherwise modify the Plan at any time during the Plan period up until actual payment has been earned under the Plan. This includes but is not limited to the right to review and adjust incentive payments associated with any single transaction or deal that Lenovo management, in its sole discretion, determines to be significant, as for example a transaction representing 100% of an assigned quota. Incentives are earned when paid, and no one becomes entitled to payment under the Plan in advance of his or her receipt of the payment.

END OF DISCLAIMER

Lenovo Leveraged Sales Plans = Letter Version 51**OTHER IMPORTANT INFORMATION**

Right to Modify or Cancel: The terms and conditions of the Incentive Plan are contained in the Plan documents provided to you by your Lenovo management team (the "Plan"). The Plan does not constitute an express or implied contract or a promise by Lenovo to make any distributions under it. Lenovo management reserves the right to adjust the Plan terms or to cancel or otherwise modify the Plan at any time during the Plan period up until incentives have been earned under the Plan. Modification or cancellation may be applicable to all persons covered by the Plan, or to any subset as defined by management. Because of the need for confidentiality, decisions regarding changes to Lenovo's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether Lenovo will or will not, change or adopt, for example, any particular compensation plan. Nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about future changes or the impact changes may have on their personal situation until any such change is formally announced by Lenovo.

Plan Period: Even though the standard incentive applications or tools supporting your Plan may reflect a June expiration date, the quota that you have been assigned is for a three-month period. The applicable quotas or sales objectives and related achievement measurements are based only on the three-month period beginning January 1, 2006 and ending March 31, 2006.

Advances: The Plan to which you are currently assigned reflects a three-month design. Periodic distributions you may receive under the Plan are advances paid to you prior to your earning of the incentive. Because Incentive Plan quotas or similar sales objectives for three-month plans are designed based on full-quarter final performance results, first-quarter 2006 incentives are earned on April 30, 2006, provided the following conditions have been met: (1) you have complied with the Incentive Plan; (2) you have not engaged in any fraud or misrepresentation relating to any of your sales transactions or incentives; and (3) the customer has paid the invoice for the sale related to your incentive. If any of the foregoing conditions have not been met, then the incentive is not earned. Deductions for overpayments may be made from advances paid to you up until the date those advances become earned incentives.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by Lenovo to make any specific distributions to any employee.

Base Salary: Incentive opportunity which includes salary in the calculation reflects the salary in effect the date this letter is prepared. However, actual incentive payments may be different based on salary adjustments made during the year.

Significant Transactions: Lenovo management reserves the right to review and adjust incentive payments associated with any single transaction that it, in its sole discretion, determines to be significant compared with the territory opportunity or quota size, or results in a disproportionate overachievement of the assigned incentive target. Lenovo management will decide, in its sole discretion, if an adjustment to the payment is appropriate based on the individual's contribution towards the transaction.

Payment Thresholds: For Plans with minimum periodic thresholds for specific incentive elements, those minimum targets must be met for the related payment to be released.

END OF DISCLAIMER

2006 WW Letter Disclaimers Release3x -November 28 2005

Lenovo Bonus Plans = Letter Version 54

OTHER IMPORTANT INFORMATION

Right to Modify or Cancel: The terms and conditions of the Incentive Plan are contained in the Plan documents provided to you by your Lenovo management team (the "Plan"). The Plan does not constitute an express or implied contract or a promise by Lenovo to make any distributions under it. Lenovo management reserves the right to adjust the Plan terms or to cancel or otherwise modify the Plan at any time during the Plan period up until Incentives have been earned under the Plan. Modification or cancellation may be applicable to all persons covered by the Plan, or to any subset as defined by management. Because of the need for confidentiality, decisions regarding changes to Lenovo's programs, practices, or policies are generally not discussed or evaluated below the highest levels of management. Managers and their representatives below such levels do not know whether Lenovo will or will not, change or adopt, for example, any particular compensation plan. Nor are they in a position to advise any employee on, or speculate about, future plans. Employees should make no assumptions about future changes or the impact changes may have on their personal situation until any such change is formally announced by Lenovo.

Bonus Payments: Lenovo management will determine, in its sole discretion, which employees, if any, will receive a bonus payment, and the payment amount of any such bonuses. Bonus payments are not earned until they are paid.

Progress Reports: Any progress reports regarding Plan achievement that may be distributed to employees during the year are provided for informational purposes only, and do not constitute a promise by Lenovo to make any specific distributions to any employee.

Base Salary: Incentive opportunity which includes salary in the calculation reflects the salary in effect the date this letter is prepared. However, actual incentive payments may be different based on salary adjustments made during the year.

END OF DISCLAIMER

EXHIBIT E

IBM

International Business Machines Corporation

1701 North Street/
B/14-2
National Payroll Services
Endicott, New York 13760
(607) 429-7224
Fax: (607) 429-7317

September 15, 2009

SAB152
KAVITZ,DA

EMPL	EARNINGS	YTD		
SERIAL	NO	DESC	2002	AMT
SA8152	001	REGULAR SALARY	104409.60	
SA8152	100	REGULAR COMMISSIONS	38504.84	
SA8152	102	REGULAR DRAW	5088.00	
SA8152	401	IBM SAVINGS PLAN (*)	-12000.00	
SA8152	403	IBM SAVINGS PLAN (*) OCOMP	-1164.00	
SA8152	564	GLI IMPUTED EARNINGS	1143.04	
				135981.48

EMPL	EARNINGS	YTD		
SERIAL	NO	DESC	2003	AMT
SA8152	001	REGULAR SALARY	104409.60	
SA8152	100	REGULAR COMMISSIONS	170623.00	
SA8152	401	IBM SAVINGS PLAN (*)	-14000.00	
SA8152	403	IBM SAVINGS PLAN (*) OCOMP	-1020.00	
SA8152	564	GLI IMPUTED EARNINGS	1576.57	
				261589.17

EMPL	EARNINGS	YTD		
SERIAL	NO	DESC	2004	AMT
SA8152	001	REGULAR SALARY	109624.00	
SA8152	100	REGULAR COMMISSIONS	446851.00	
SA8152	401	IBM SAVINGS PLAN (*)	-16000.00	
SA8152	403	IBM SAVINGS PLAN (*) OCOMP	-1068.00	
SA8152	564	GLI IMPUTED EARNINGS	1800.48	
SA8152	582	SMOKE-FREE REBATE	150.00	

DEFENDANT'S
EXHIBITM for I.D.
12/14/10

IBMPROD00262

541357.48

EMPL	EARNINGS		YTD
SERIAL	NO	DESC	AMT
SA8152	001	REGULAR SALARY	113540.90
SA8152	100	REGULAR COMMISSIONS	113973.44
SA8152	401	IBM SAVINGS PLAN (*)	-18000.00
SA8152	403	IBM SAVINGS PLAN (*) OCOMP	-2328.00
SA8152	405	IBM SAVINGS PLAN (*) OTHER	-1007.40
SA8152	494	OVATION (INDIVIDUAL ONLY)	4000.00
SA8152	564	GLI IMPUTED EARNINGS	2890.80
SA8152	582	SMOKE-FREE REBATE	150.00
<hr/>			
213219.74			

EMPL	EARNINGS		YTD
SERIAL	NO	DESC	AMT
SA8152	001	REGULAR SALARY	114476.40
SA8152	100	REGULAR COMMISSIONS	158110.92
SA8152	401	IBM SAVINGS PLAN (*)	-10493.78
SA8152	402	IBM SAVINGS PLAN (*) ADJUST	-191.29
SA8152	403	IBM SAVINGS PLAN (*) OCOMP	4314.93
SA8152	411	IBM SAVINGS PLAN (*) CATCH UP	476.99
SA8152	412	IBM SAVINGS PLAN (*) CU ADJUST	-285.70
SA8152	413	IBM SAVINGS PLAN (*) CU OCOMP	4237.31
SA8152	441	HEALTH CARE PREMIUM (**)	-1644.00
SA8152	443	LONG TERM DISABILITY (*)	464.30
SA8152	564	GLI IMPUTED EARNINGS	2922.48
SA8152	600	EMP STOCK PURCHASE PLAN	163.92
<hr/>			
253565.42			

EMPL	EARNINGS		YTD
SERIAL	NO	DESC	AMT
SA8152	001	REGULAR SALARY	114476.40
SA8152	100	REGULAR COMMISSIONS	132775.50
SA8152	401	IBM SAVINGS PLAN (*)	-5151.46
SA8152	402	IBM SAVINGS PLAN (*) ADJUST	-235.83

SA8152	403	IBM SAVINGS PLAN (*) OCOMP	-10112.71
SA8152	411	IBM SAVINGS PLAN (*) CATCH UP	-3073.44
SA8152	412	IBM SAVINGS PLAN (*) CU ADJUST	-336.55
SA8152	413	IBM SAVINGS PLAN (*) CU OCOMP	-1590.01
SA8152	441	HEALTH CARE PREMIUM (**)	-3013.20
SA8152	443	LONG TERM DISABILITY (*)	-1312.56
SA8152	549	STOCK OPTION EXERCISE	4305.00
SA8152	564	GLI IMPUTED EARNINGS	2922.48
SA8152	586	PREVENTIVE CARE REBATE	150.00

229803.62

EMPL	EARNINGS	YTD		
SERIAL	NO	DESC	2008	AMT
SA8152	001	REGULAR SALARY		115141.40
SA8152	100	REGULAR COMMISSIONS		7555.49
SA8152	4G0	BEFORE-TAX SALARY (*)		-11112.57
SA8152	4G1	BEFORE-TAX PERF PAY (*)		-697.03
SA8152	441	HEALTH CARE PREMIUM (**)		-3433.20
SA8152	443	LONG TERM DISABILITY (*)		-1317.76
SA8152	549	STOCK OPTION EXERCISE		2848.50
SA8152	558	TAXABLE BUSINESS EXPENSE		50.00
SA8152	564	GLI IMPUTED EARNINGS		2938.32
SA8152	586	PREVENTIVE CARE REBATE		150.00

112123.15

EMPL	EARNINGS	YTD		
SERIAL	NO	DESC	2009	AMT
SA8152	001	REGULAR SALARY		96692.95
SA8152	100	REGULAR COMMISSIONS		13002.43
SA8152	4G0	BEFORE-TAX SALARY (*)		-10175.59
SA8152	4G1	BEFORE-TAX PERF PAY (*)		-910.18
SA8152	441	HEALTH CARE PREMIUM (**)		-2686.85
SA8152	472	EXCELLENCE AWARD		1500.00
SA8152	549	STOCK OPTION EXERCISE		3152.69
SA8152	564	GLI IMPUTED EARNINGS		1519.65

102095.10

Sincerely,

Anna K. Melnyk
Custodian of IBM Records,
IBM Corporation
1701 North Street Bldg 142 Payroll
Endicott, New York 13760

EXHIBIT F

Re: Fw: Motorola Audit [D]

04/26/2006 09:24 AM

Andre Temidis To: Jeri Savoy

Cc: David Kavitz

Default custom expiration date: 04/26/2007

History: This message has been replied to.

Jeri/Dave,

Please get involved in Tom's audit. OEM should ride those coat tails. If we receive resistance we should escalate through Hugh. We need to be part of that audit.

Let's talk if we need to,

Regards,

Andre Temidis
Channel Sales Manager - Central Region
IBM Software Group
Tel (516) 349-3466 Fax (845) 432-0738
2 Jericho Plaza
Jericho, NY 11753
atemidis@us.ibm.com
www.ibm.com/software/
Jeri Savoy/Cambridge/IBM@LOTUS.

EXHIBIT G

Michael T Terrell/Vienna/IBM

07/07/2006 01:09 PM

To Jeri Savoy/Cambridge/IBM
cc Andre Temidis/New York/IBM, Dennis Allen/Chicago/IBM,
David Kavitz/Chicago/IBM
Subject Fw: iHLR IBM audit script output.

Hi,

Thought I sent this one along but must have missed it. Here is a week long run of the iHLR. Max concurrent user count was 10.

Regards,
Mike Terrell
IT Specialist - Data Management Solutions
Tel: 301-803-2298
E-mail: terrell0@us.ibm.com
WWW: ibm.com/software/data

— Forwarded by Michael T Terrell/Vienna/IBM on 07/07/2006 02:07 PM —

"Wagner David-C21375"
<david.wagner@motorola.co
m>
06/30/2006 11:04 AM

To Dennis Allen/Chicago/IBM@IBMUS, Michael T
Terrell/Vienna/IBM@IBMUS
cc "Wagner David-C21375" <david.wagner@motorola.com>

CONFIDENTIAL
IBMPROD01166

Subject: FW: iHLR IBM audit script output.

Dennis/Mike,

Here is your data from the Alpha iHLR.

It was good to see two yesterday. Hopefully your flights home were more enjoyable than coming here to Chicago.

Have a great 4th of July weekend!

Motorola
Dave Wagner
IDEN - Product Support Manager
Desk# 847-435-3349
Cell# 847-875-9155

From: France Richard-C14699
Sent: Friday, June 30, 2006 10:02 AM
To: Wagner David-C21375
Cc: Sowder John-CJS021; Unk Steve-C19722
Subject: iHLR IBM audit script output.

David,
here is the output from the IBM audit script. My apologies for it being a few days late. We've been very hectic for the last few weeks.

Let me know if there any problems and we'll do what we can to help.



Richard userlog.ihlr.txt

EXHIBIT H

FYI

Regards,

Jeri Savoy
Channels Compliance Advisor - Software
IBM Corporation
Business Partner Agreement Compliance
Infernet: Jeri_Savoy@us.ibm.com
Phone and Fax: (617) 693-6114

Press On Regardless ~

Forwarded by Jeri Savoy/Cambridge/IBM on 10/02/2006 11:45 AM
Jeri Savoy/Cambridge/IBM

To "Schaeffer Michael-QA6060" <QA6060@motorola.com>, "Wagner David-C21375"
<david.wagner@motorola.com>
cc David Kavitz/Chicago/IBM@IBMUS, Michael T Terrell/Monroe/IBM@IBMUS, Dennis
Allyn/Chicago/IBM@IBMUS, Andre Temmels/New York/IBM@IBMUS
Subject IBM/Motorola compliance review

08/07/2006 02:10 PM

Hi Mike and Dave,

I have a request for additional information that is still pending at your end (email of 7/11), which I am hoping will be forthcoming shortly.

I have been going through the information I've received on the product shipments and comparing those numbers to the royalty reports and find that I need some clarifications, and/or additional information in order to reconcile all the records:

For each product line, I have received shipment information in different forms, and the only one that seems to come directly from your invoicing/billing system is part of the CDMA-OCMR run from your "Tigers" database. Doesn't Motorola run all of the products through one system? And my most important question is: What checks and balances does Motorola use for IBM's gold masters?

Below is what I'll need by product:

UNO – 1. In the shipment spreadsheet provided by Ken Clark, what does "0" mean under the heading of "New License" (or "Old License"); 2. What is "upg" at the end of some part numbers mean? 3. What does "New License" v. "Old License" mean?

iDen OMC, iHLR, DAP – The lists provided for these products, I have asked for clarifications from Dave, and am waiting for that information (product name, version, etc.) We did not see the spike on OMC that Jim said we would when they ran the update statistics script. Did he neglect to run it during the test? (Dave, Mike Terrell send Jim cleaner diagrams today. Could you ask him to review them as soon as possible and get back to Mike?)

CDMA – Most of the numbers come directly from your Tigers database, with some exceptions which I question. On the search results Pat provided which are "grid" pages, there are items that don't belong – does any Motorola invoicing/billing system show one set of correct orders? And, how does Motorola handle internal orders – i.e., billed to a lab – there was no back-up for those items.

With respect to the onstat results that Mike Terrell has provided to me, I have some additional questions. In order to get to the number of Motorola's total universe, I need to fence in what is active at Motorola.

The total CPU count per application manufactured by Motorola for deployment.
Network elements
Network elements for Motorola's end user population
Capture snfile to find versions

What is out there behind "transaction manager"

The last item is one that Dennis Allen has brought to my attention. During the 2003 compliance review, Dennis found some idle production threads (5%), which Motorola promised to fix. Currently, Motorola has about 50% of production threads that are idle. According to Dennis, "When we tested iDen OMC in 2003, we tested 5 or 6 systems, all with very similar results, including 3-4 connections that were idle. To be clear, idle meant running without transactions for the week that the testing ran, through startup of their application, and regular load. No data or requests travelled over the connections. The engineers asked me about it, and felt strongly that they were opened in error, an example being an engineer opening a connection for use by another part of the application, which in turn opens its own connection and never uses the intended connection. We agreed to not count them, and Motorola agreed to go back and fix the coding errors."

Based on the intent of the exclusion in the last audit, the dramatic increase in the idle connections, and the limited, and controlled nature of the one test that was run, the idle connections counted in the iDen OMC in-house testing will be counted in the 2006 audit.

Thanks for your attention to these matters.

Regards,

Jeri Savoy
Channels Compliance Advisor - Software
IBM Corporation
Business Partner Agreement Compliance
Internet: Jeri_Savoy@us.ibm.com
Phone and Fax: (617) 693-8114

Press On Regardless —

EXHIBIT I

From: jeri_savoy@us.ibm.com [mailto:jeri_savoy@us.ibm.com]
Sent: Monday, August 14, 2006 2:54 PM
To: Wagner David-C21375
Cc: kavitz@us.ibm.com; terrellb@us.ibm.com; dennisal@us.ibm.com; atemidis@us.ibm.com
Subject: IBM/Motorola compliance review

Dave —

With respect to my email to you and Mike Scheuermann of 8/7, I thought I would send separate follow-up emails for questions that are still open. I would request this information by the end of business Wednesday.

1. IBM's standard compliance questionnaire sent to you on 7/12 (in a word document below) Attached.
2. What checks and balances does Motorola use for IBM's gold masters? Don't know. Not part of my overall

responsibility.

Dave: Can you find out how your division gets the software that it loads on the devices? Who copies this off the Golden CDs?

3. How many of the iDEN OMC servers are primary and how many are secondary (doesn't show in the shipments info you have provided). Don't know. Not part of my overall responsibility.

When your OMCR products are shipped, how is it determined if it is a Primary or Secondary system or are two secondaries shipped with each Primary

4. For OMC, we did not see the spike on OMC that Jim said we would when they ran the update statistics script. Did he neglect to run it during the test? (Dave, Mike Terrell send Jim cleaner diagrams today. Could you ask him to review them as soon as possible and get back to Mike?) I'm pretty sure Jim and Mike have worked this out. Ask Mike Terrell.

5. All shipment reports for First Quarter and Second Quarter of 2006. This will come from Mike Scheuermann. What we receive from Mike Scheuermann is the Royalty Report for each quarter. I believe you would gather that information off your shipping documents. It is those documents that I need a copy of.

I will be calling you today to set up a call for Wednesday. David Kavitz and I would like to have a preliminary conversation about what we have so far. IBM's next step will be to request from Motorola the same information we now have on the internal machines for all of Motorola's end user population.

Thank you for your cooperation in this matter.

Regards,

Jeri Savoy
Channels Compliance Advisor - Software
IBM Corporation
Business Partner Agreement Compliance
Internet: Jeri_Savoy@us.ibm.com
Phone and Fax: (617) 693-8114

Press On Regardless -

EXHIBIT J

From: Andre Temidis on 08/22/2005 03:05 PM.
To: David Kavitz/Chicago/IBM@IBMUS, Dennis Allen/Chicago/IBM@IBMUS, Jeri Savoy, temell0@us.ibm.com
cc: Mike Press/Dallas/IBM@IBMUS
Subject: Motorola
Importance:Urgent

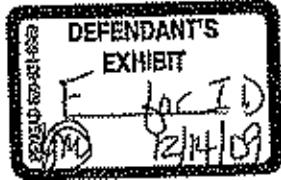
Team,

We are about to begin sharing audit data with Motorola. Moving forward there must not be any communications/discussions with Motorola, involving the audit. Jeri is Motorola's point of contact, for audit matters. Refer all questions from Motorola to Jeri.

Feel free to contact me with questions.

Thank you,

Andre Temidis
Channel Sales Manager - Central Region
IBM Software Group
Tel (516) 349-3466 Fax (845) 432-0738
2 Jericho Plaza
Jericho, NY 11753
atemidis@us.ibm.com
www.ibm.com/software/



CONFIDENTIAL
IBMPROD01112

EXHIBIT K

----- Forwarded by Jeff Savoy/Cambridge/IBM on 08/23/2006 02:33 PM -----

Jeff Savoy/Cambridge/IBM
08/23/2006 01:10 PM

To : "Scheuermann Michael-QA6050" <QA6050@motorola.com>
cc: David Kavitz/Chicago/IBM@IBMMUS, Andre Temidit/New
York/IBM@IBMMUS
Subject: IBM/Motorola compliance review

Dear Mike:

This letter is to advise you of the initial findings with respect to the compliance review request made by my letter to you of May 9, 2006. These results give IBM a preliminary user count of Motorola's internal machines only. This user count is a direct result of understanding the architecture of Motorola's applications, comparing the onstat audit scripts, shipment reports and royalty reports for CDMA OMCR, UNO and iDEN OMC, IHLR, DAP for the period beginning July, 2003 and continuing through June, 2006 for Motorola's internal machines only, which represents some portion of the entire user population of IBM's Informix software at Motorola.

Specifically, we used:

1. Onstat audit scripts were run on the products listed above for a period of one week.
2. Diagrams of the architecture of each of the products listed above. These diagrams were derived as a result of working with Motorola's technical team and their understanding of how Motorola licenses the IBM Informix product within each of the products under review.
3. Review of shipment documentation for the products identified above from July 1, 2003 through June 30, 2006.
4. Review of royalty reports provided for the products identified above from July 1, 2003 through June 30, 2006.
5. Partial review of the answers to IBM's standard questionnaire to understand Motorola's management of Informix software.

CONFIDENTIAL
IBMPROD00515

I compared the onstat results with the shipment numbers and the royalty report numbers supplied to IBM and then applied the proper discounts.

Here are my preliminary results for Motorola's internal machines against royalties reported as well as UNO's numbers taken from the shipment documents (from Ken Clark) vs. Royalty Reports.

YEAR	AMOUNT OWED IBM CDMA (UNO & OMCR)	TOTAL OWED IBM UNO (SHIPMENTS vs RR)	AMOUNT OWED IBM IDEN (OMC, IHLR & HARMONY)	TOTAL OWED IBM	
				CDMA UNO (ship vs report)	IDEN (TBD)
2003	\$1,077,000.00	\$680,400.00	TBD		
2004	\$1,884,195.00	\$126,000.00	TBD		
2005	\$1,148,160.00	-\$132,000.00	TBD		
2006	\$895,437.00	\$139,860.00	TBD		
TOTALS	\$5,004,792.00	\$814,000.00	TBD		\$5,818,792.00

For additional detail, I am attaching spreadsheets by quarter for each of the products identified above.

Of course, in the event that IBM finds additional users as a result of unknown loads on end user machines, or behind any transaction managers inserted into the Informix architecture, the numbers above will change.

With respect to how we will determine the proper user counts for the Motorola products in the audit, Mike Tenell has provided me with diagrams of the architecture for each product (copies are attached in the zip file below). As part of our audit, we have requested additional information regarding network elements so that IBM can determine if transaction managers are utilized in your applications. Additional work is in progress, thus the "To Be Determined" items above.

To reiterate, these initial findings are the result of the audit of Motorola's internal machines only. IBM is requiring me to determine the entire user population at Motorola. IBM requests a determination of how these numbers will be gathered so that we may begin to understand the scope of licensing. User counts are determined at the so-called "high water mark". Once the entire user population is determined, IBM can determine compliance and quantify maintenance charges for the licenses.

I believe we have a good start to being able to determine Motorola's use of Informix licenses even though we still have some unknowns, but I still look forward to completing the audit in a timely manner.

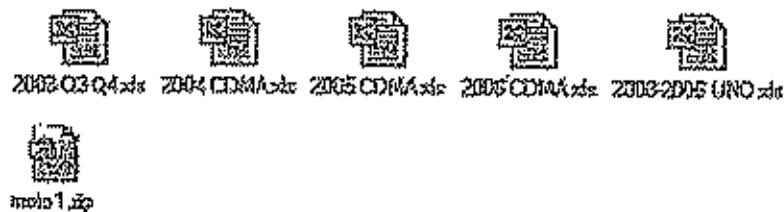
Sincerely yours,

Jeff Savoy
Business Partner Agreement Compliance
IBM Corporation
jeff.savoy@us.ibm.com

Attachments

CC: David Kavitz, OEM Sales Representative
Andre Temitilis, Channel Sales Manager

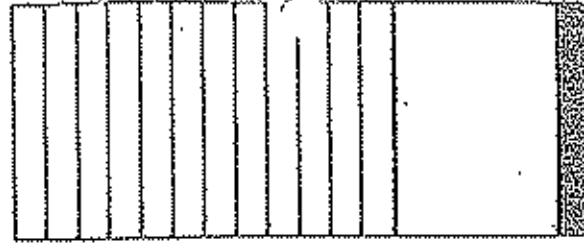
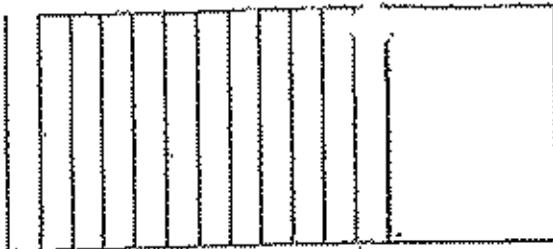
CONFIDENTIAL
IBMPROD80516



CONFIDENTIAL
IBM PROD00518

2004 Q1 & Q2 Motorola Division CDMA	# of Systems reported	# Users/ System Reported	Total Users Reported	List Price of Licenses	List Price Less 70% Discount	# of Users/License out of Compliance	Total # of Users/Total Systems Reported	Total # of Users/Total Systems Shipped out of compliance	Additional License Fee Owed IBM
								Users/License out of Compliance	
OMCR (IDS 9.21)	64	35	2240	\$1,500.00	\$450.00	\$1,000,000.00	0	0	\$0.00
ONSTAT COUNT	64	36	2304	\$1,500.00	\$450.00	\$1,038,800.00	1	64	\$28,800.00
UNO (IDS 9.21)	54	22	1188	\$1,500.00	\$450.00	\$594,800.00	0	0	\$0.00
UNO (4GL)	54	22	1188	\$300.00	\$80.00	\$106,820.00	0	0	\$0.00
ONSTAT COUNT	54	64	3465	\$1,500.00	\$450.00	\$1,555,200.00	2268	42	\$1,020,600.00
UNO (4GL)	54	64	3456	\$300.00	\$80.00	\$31,040.00	2268	42	\$1,224,720.00
UNO OWNED									
ONSTAT COUNT									
OMCR (IDS 9.21)	69	35	2415	\$1,500.00	\$375.00	\$905,825.00	0	0	\$0.00
ONSTAT COUNT	69	36	2484	\$1,500.00	\$375.00	\$931,500.00	1	69	\$25,875.00
UNO (IDS 9.21)	32	22	704	\$1,500.00	\$375.00	\$264,000.00	0	0	\$0.00
UNO (4GL)	32	22	704	\$300.00	\$75.00	\$52,800.00	0	0	\$0.00
ONSTAT COUNT	32	64	2048	\$1,500.00	\$375.00	\$788,000.00	1344	42	\$604,000.00
UNO (4GL)	32	64	2048	\$300.00	\$75.00	\$153,600.00	1344	42	\$106,800.00
UNO OWNED									
ONSTAT COUNT									

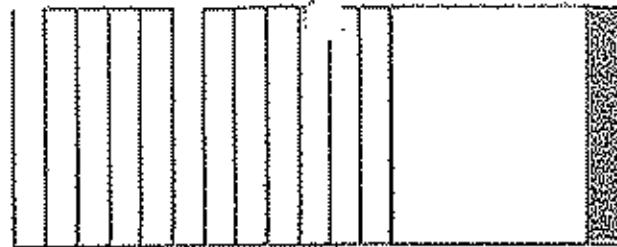
CONFIDENTIAL
IEMPROD00519



CONFIDENTIAL
ISMPROD00520

2005 Motorola Division CDMA	# of Systems Reported	# Users/ System Reported	Total List Price of Users Reported	List Price Less 76% Discount	Total Price of Licenses Reported	# of Users/License out of Compliance	Total # of Users/Total Systems	Additional License Fee Owed IBM
							Shipped out of compliance	
UNCR (IDS 821)	68	35	2330	\$1,500.00	\$375.00	\$892,500.00	0	\$0.00
JNSTAT COUNT	68	36	2448	\$1,500.00	\$375.00	\$918,000.00	1	\$25,500.00
UNO (IDS 921)	54	22	1188	\$1,500.00	\$375.00	\$445,500.00	0	\$0.00
UNO (4GL)	54	22	7188	\$300.00	\$75.00	\$89,100.00	0	\$0.00
CHSSTAT COUNT	54	64	3456	\$1,500.00	\$375.00	\$1,296,000.00	2268	\$650,500.00
UNO (4GL)	54	64	3456	\$300.00	\$75.00	\$414,720.00	42	\$272,460.00
UNO OWED								\$1,122,680.00
GRAND TOTAL								\$1,848,860.00

CONFIDENTIAL
IBMPROD00521

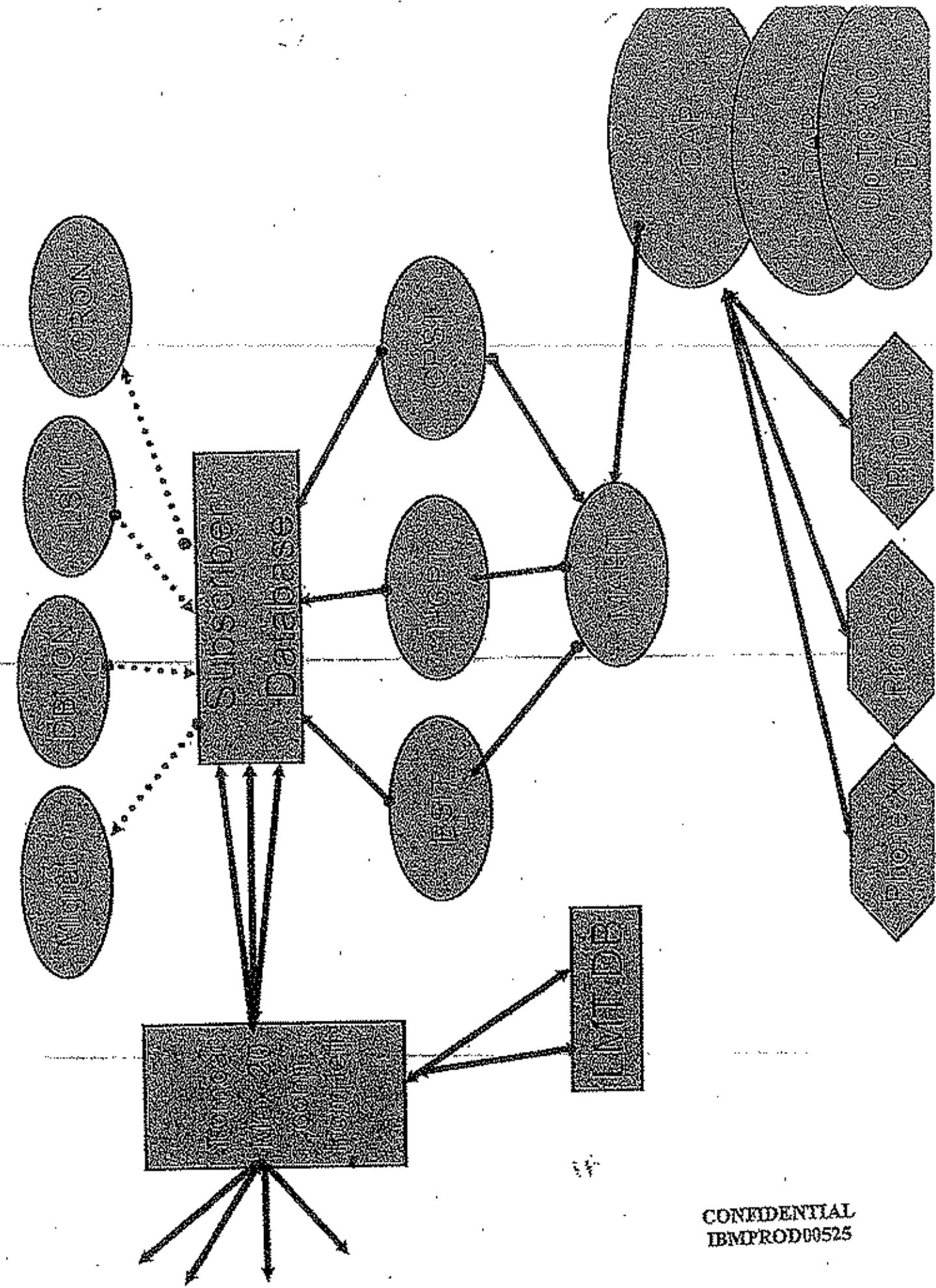


CONFIDENTIAL
E0MPROD00522

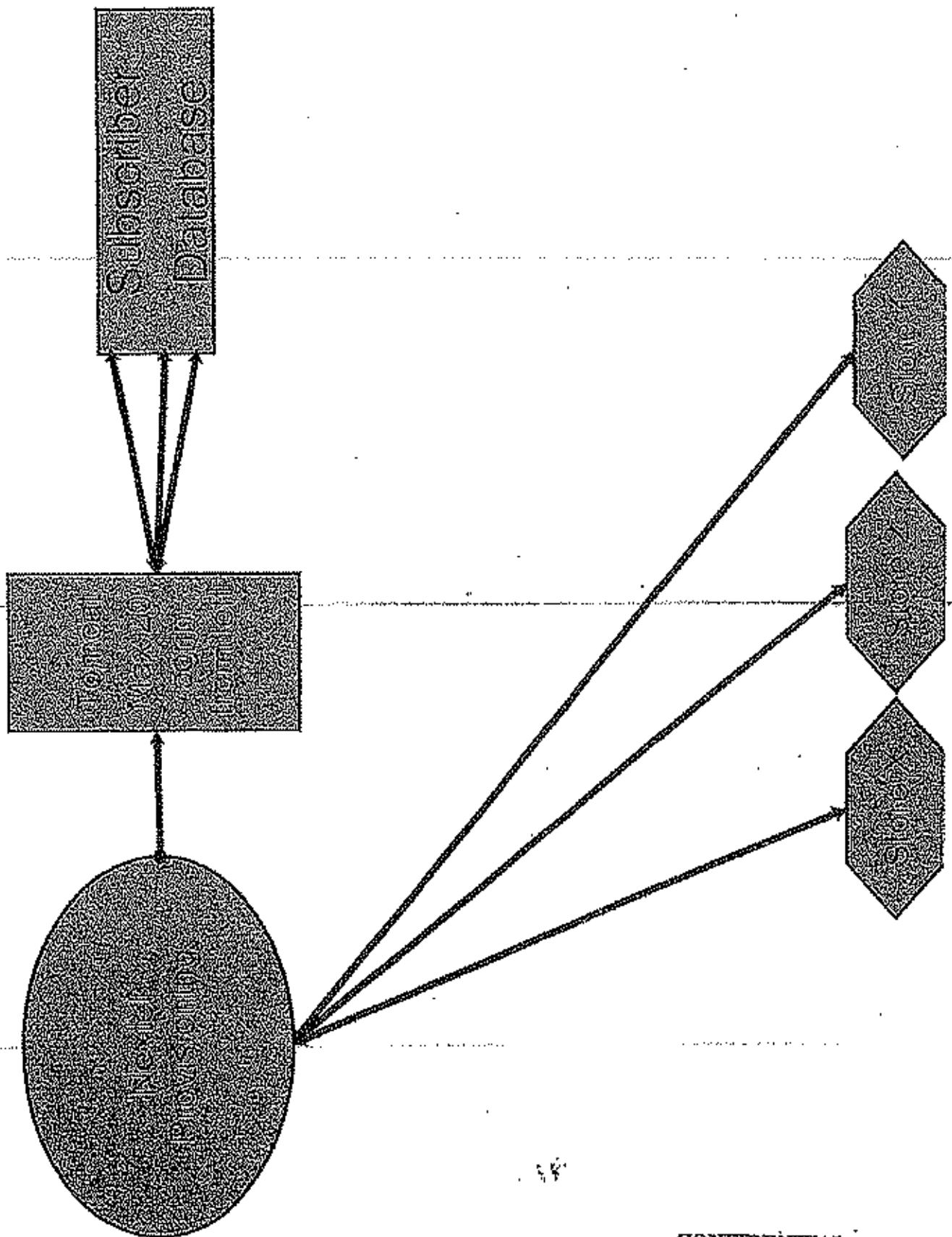
2006 Q1 & Q2 Motorola Division CDMA	# of Systems reported	# Users/ System Reported	Total Users Reported	List Price of Licenses Reported	List Price of Licenses 63%	List Price Less Discount	Total Price of Licenses Reported	# of Users/License out of Compliance	User(s) of Systems Shipped out of compliance	Additional License Fee Owed IBM	
										User(s) of Systems Shipped out of compliance	Total Price of Systems Shipped out of compliance
ONCR (IDS 8.21)	51	35	1785	\$1,500.00	\$555.00	\$980,675.00	0	0	0	0	\$0.00
ONSTAT-COUNT	61	36	1836	\$1,500.00	\$555.00	\$1,018,380.00	1	1	61	61	\$28,395.00
UNO (IDS 9.21)	81	22	682	\$1,500.00	\$655.00	\$370,810.00	0	0	0	0	\$0.00
UNO (4GL)	31	22	882	\$300.00	\$111.00	\$75,702.00	0	0	0	0	
ONSTAT-COUNT	31	64	1084	\$1,500.00	\$555.00	\$31,101,126.00	42	42	1302	1302	\$722,610.00
UNO (4GL)	31	64	1084	\$300.00	\$111.00	\$220,224.00	42	42	1302	1302	\$144,522.00
UNO OWNED											\$867,132.00
DISCOUNTED BY											

CONFIDENTIAL
IBMPROD00523

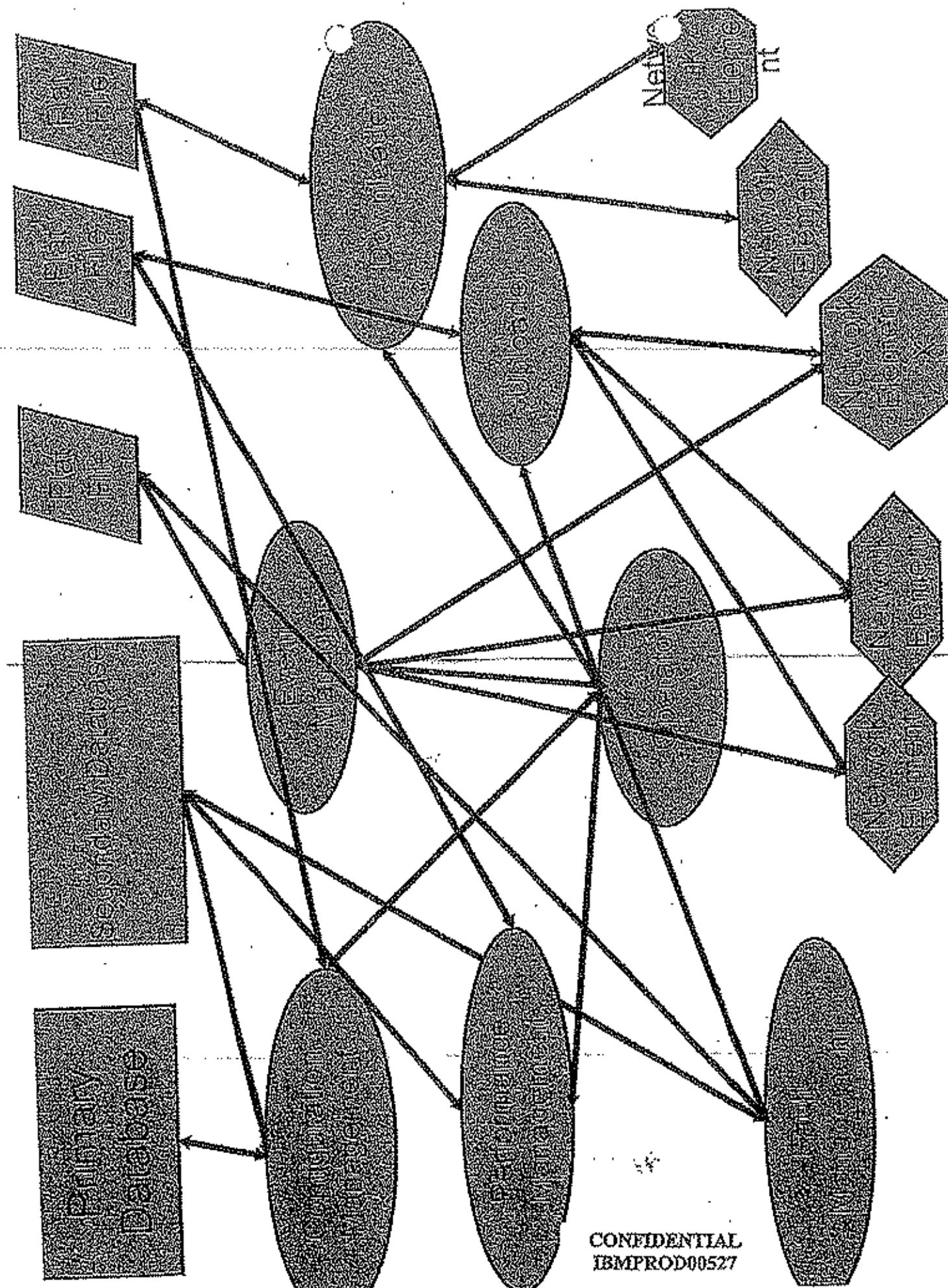
YEAR	New Licensees	Old Licensees	Shipments	Quantity "Q" 77*	Royalty Report	Under Reported
2003 Q3 & Q4	68	6	26	35	27(42)(\$800)=\$2160,400.00	
2004	94	0	20	86	842(1375)=\$1126,300.00	
2005	38	0	13	54	1622(13375)=\$2132,000.00	
2003 Q1	13	0	2	4	642(13555)=\$139,850.00	
TOTALS	198	8	61	179		
DISCREPANCY						



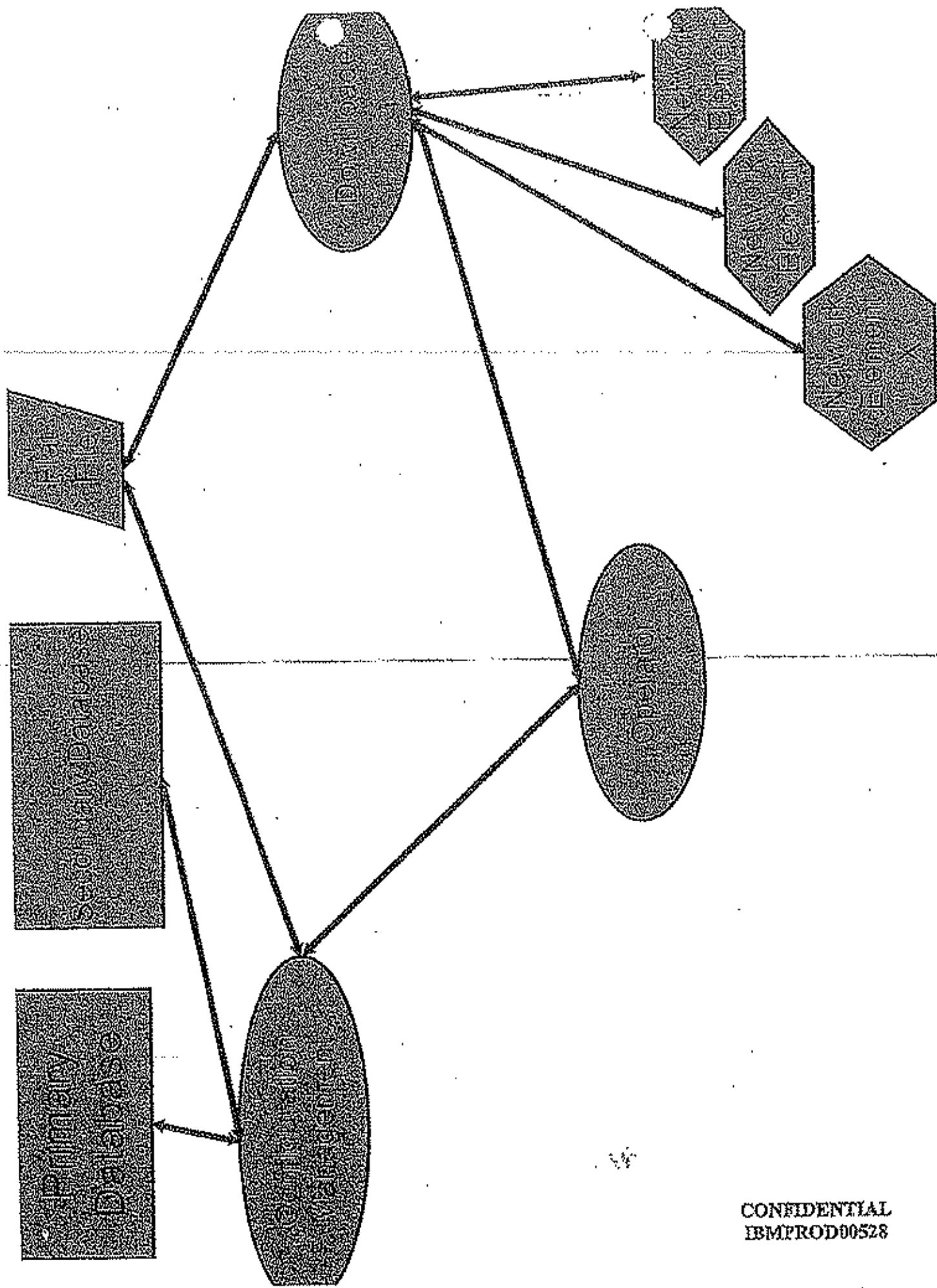
CONFIDENTIAL
IBMPROD00525



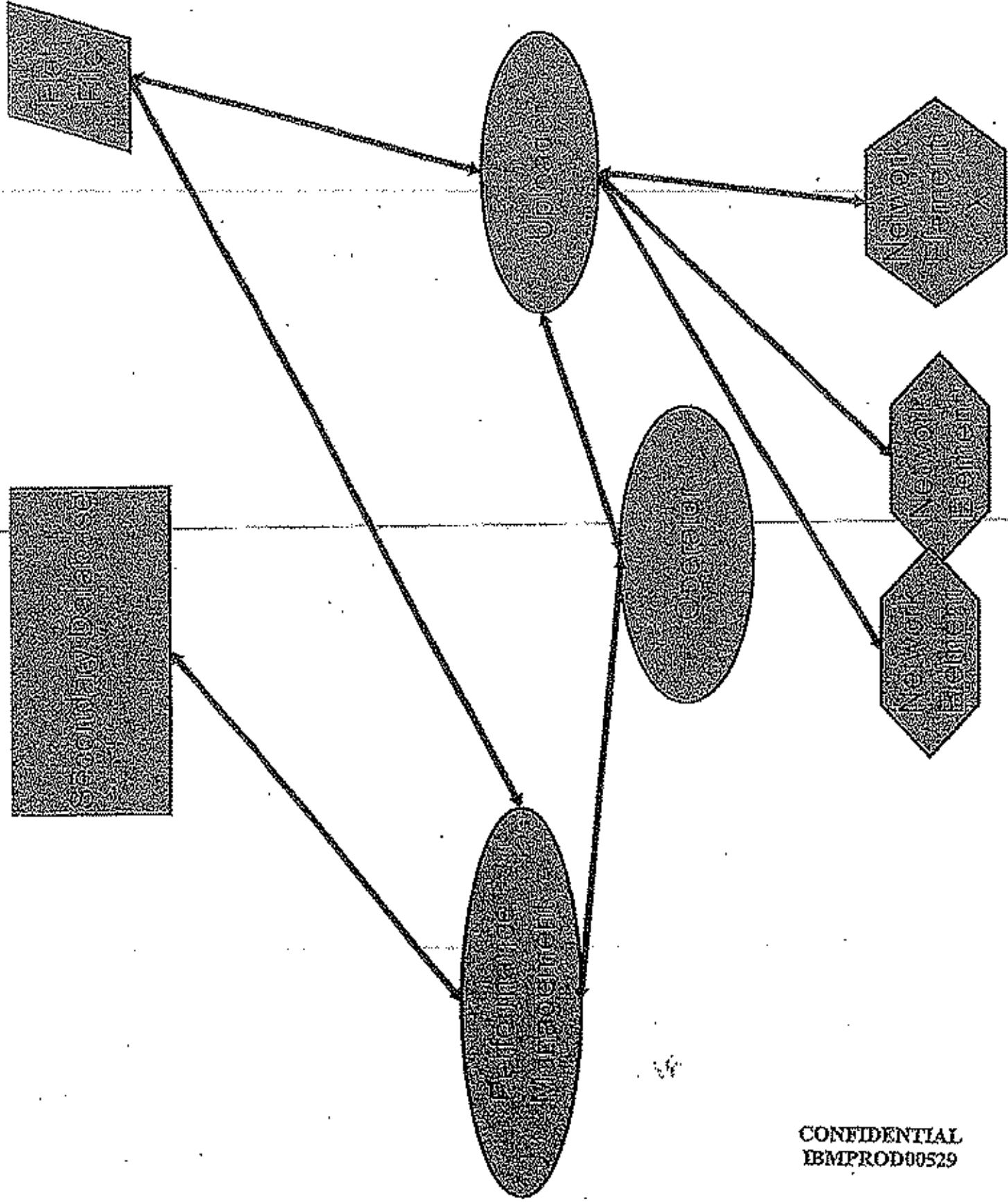
CONFIDENTIAL
IBMPROD00526



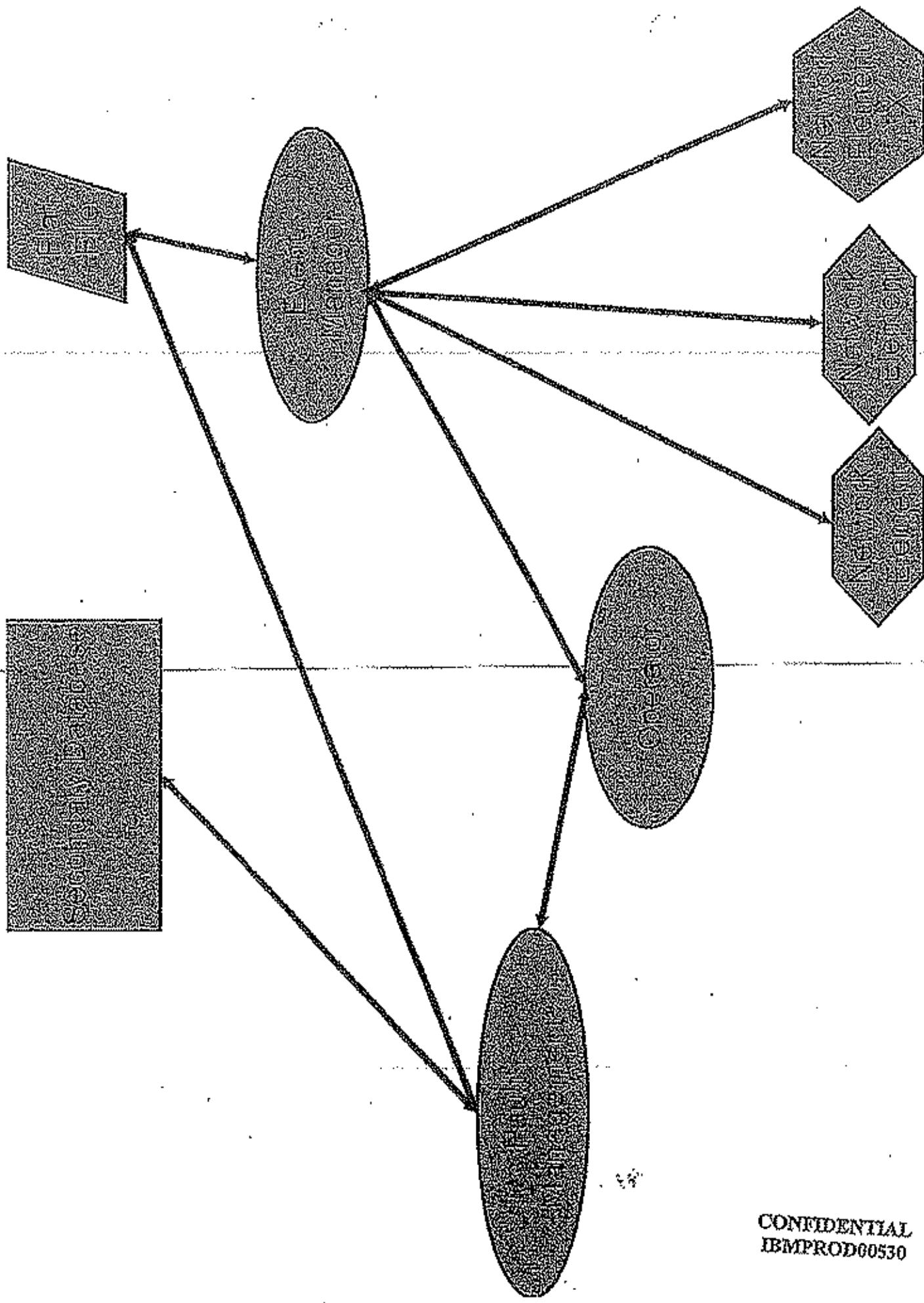
CONFIDENTIAL
IBMPROD00527



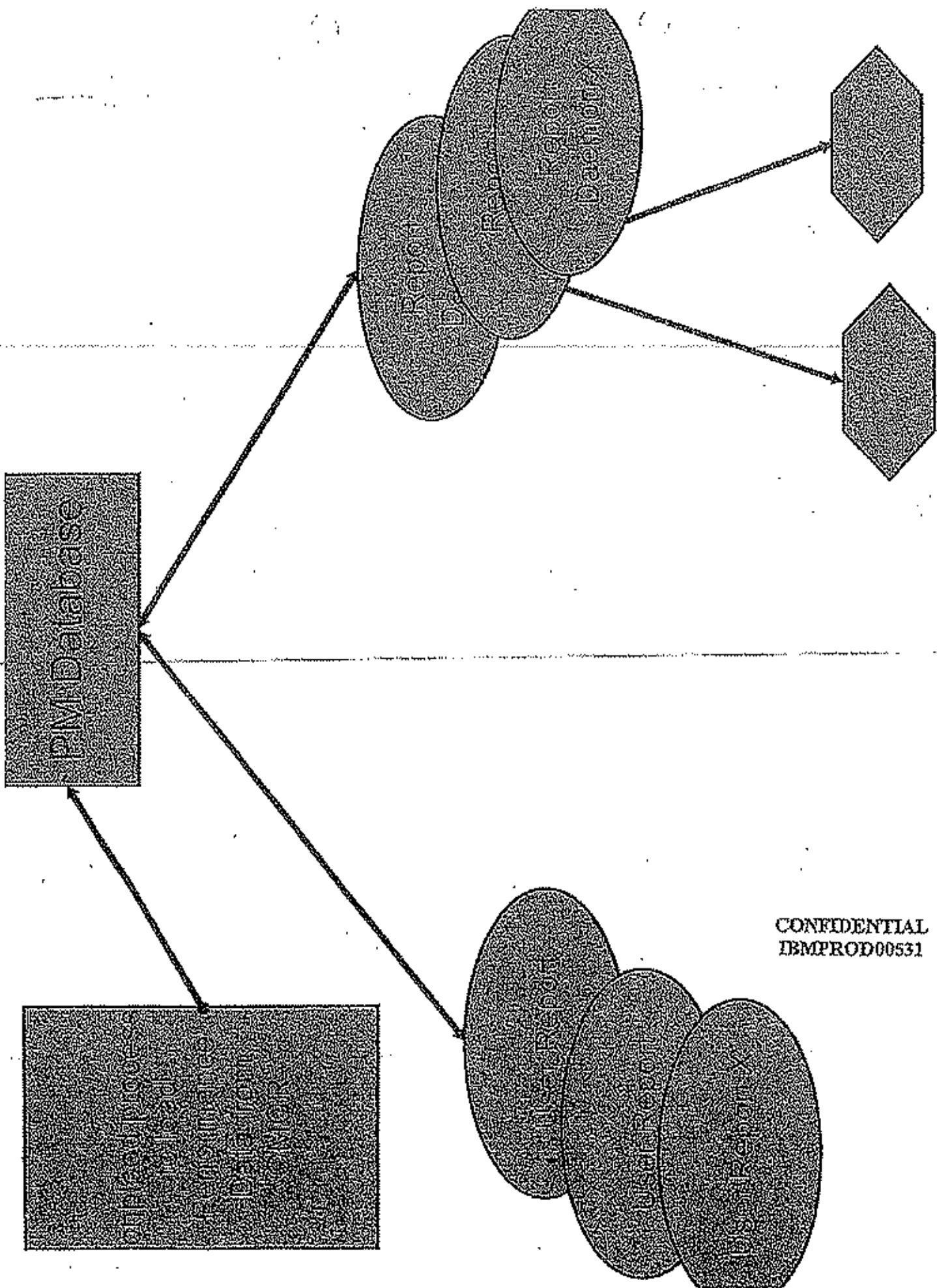
CONFIDENTIAL
IBMPROD00528

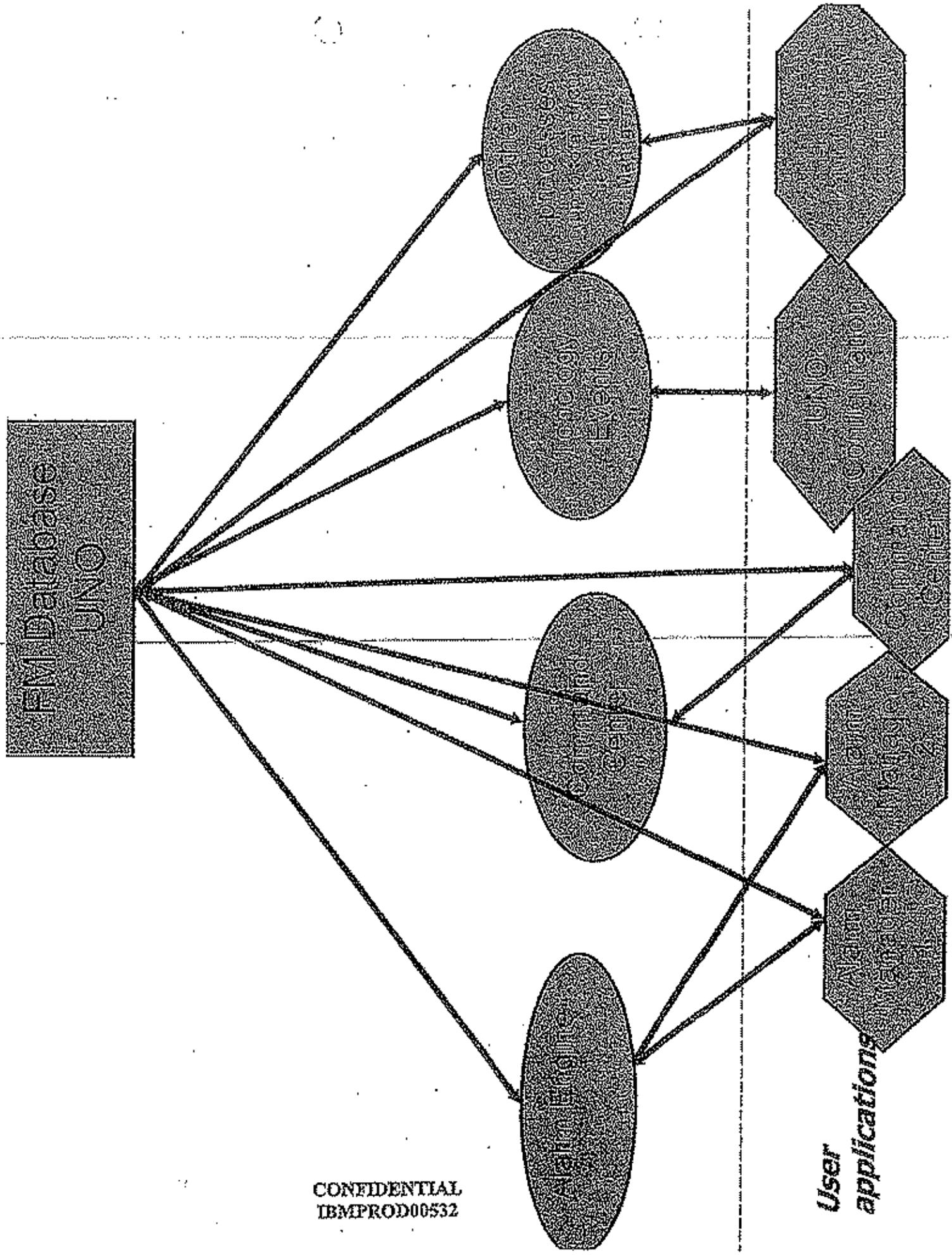


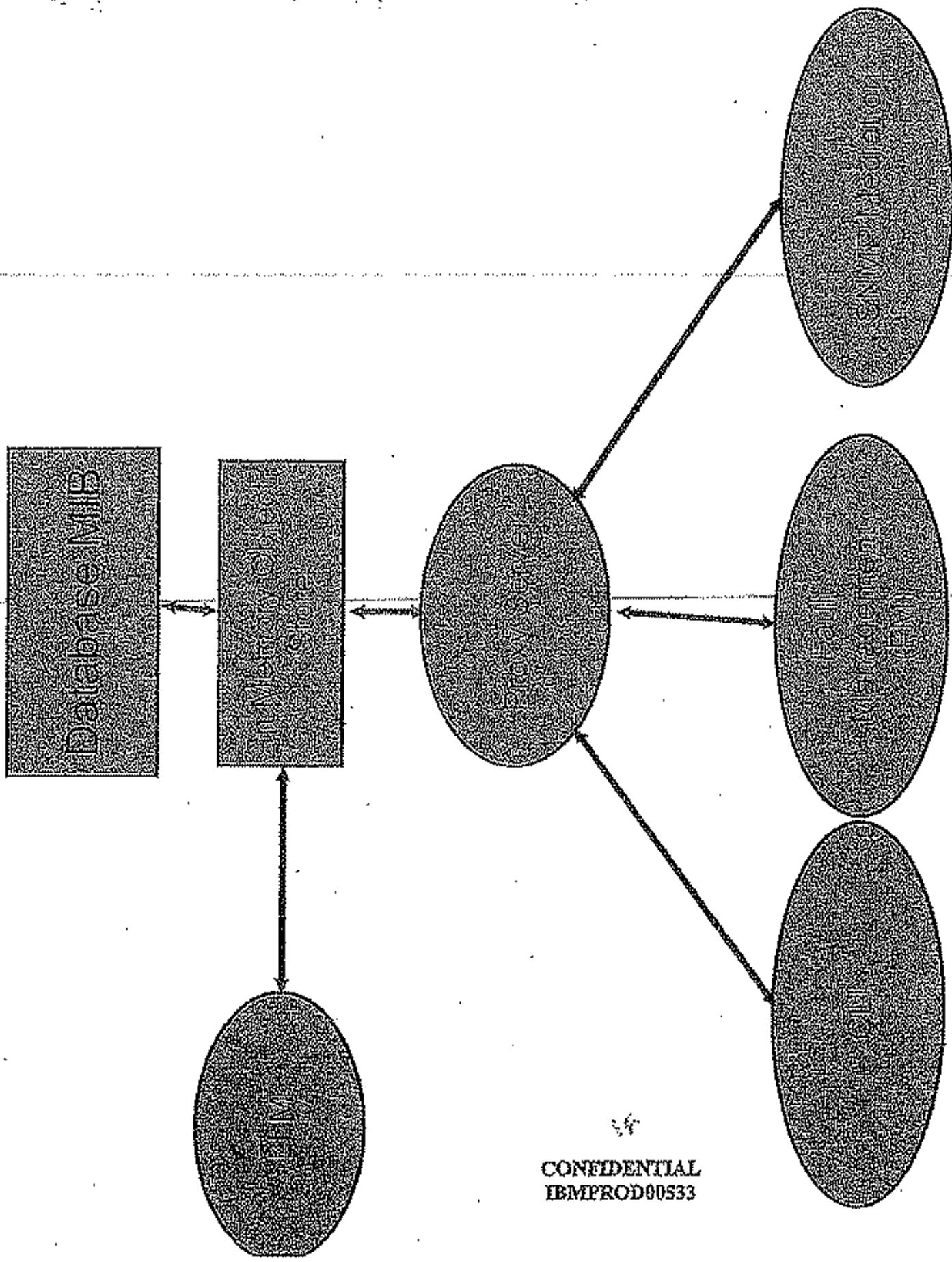
CONFIDENTIAL
BMPROD00529

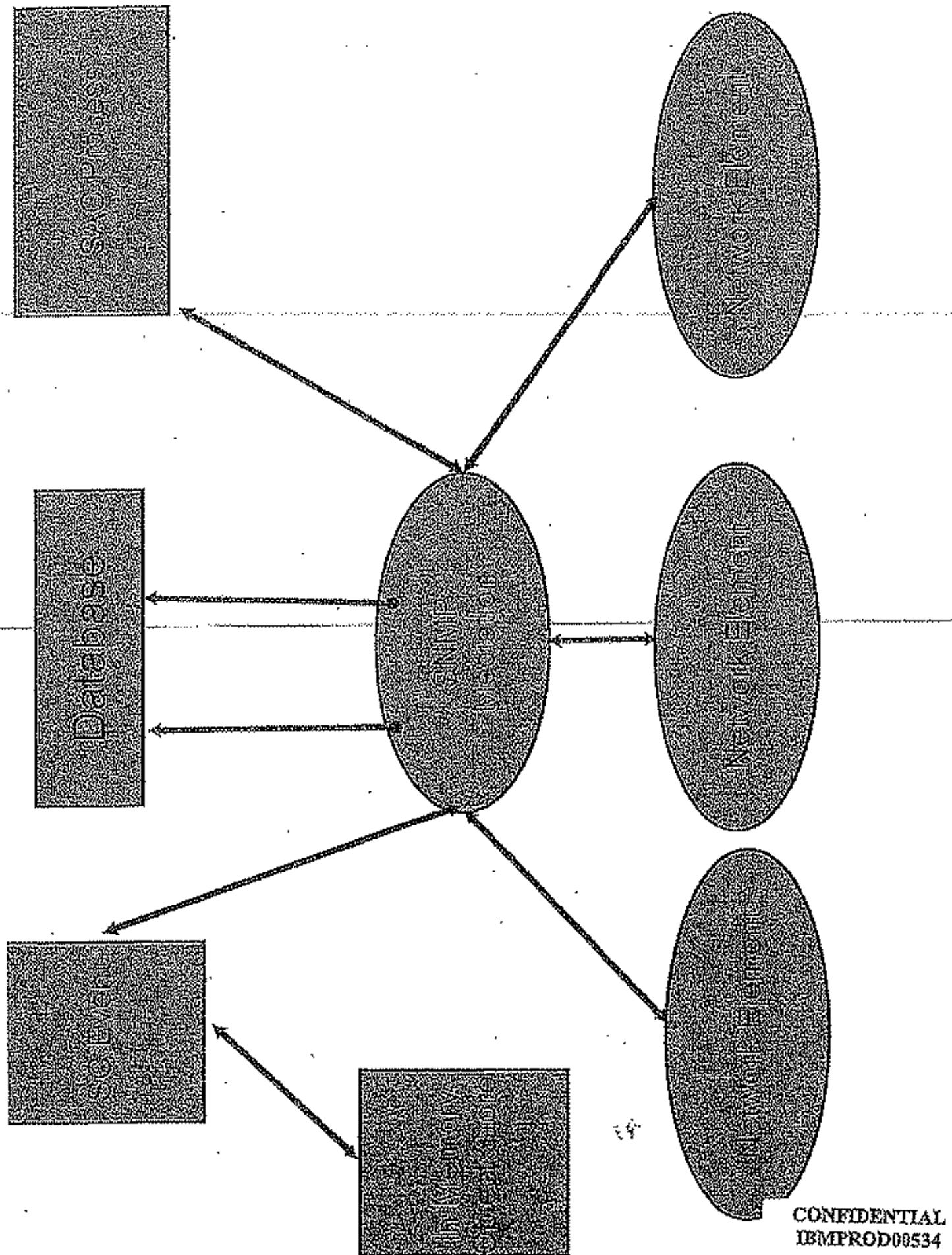


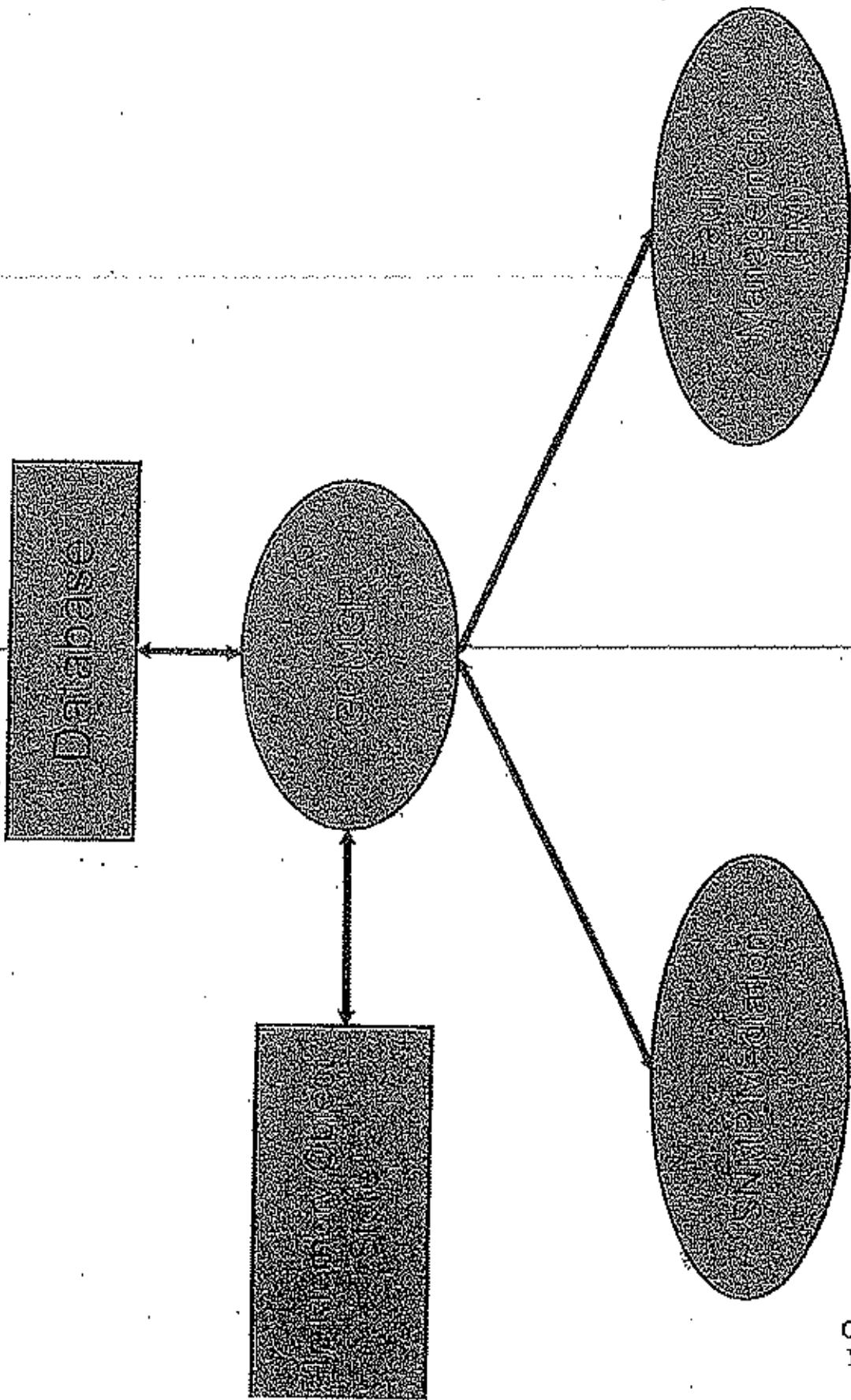
CONFIDENTIAL
IBMPROD00530



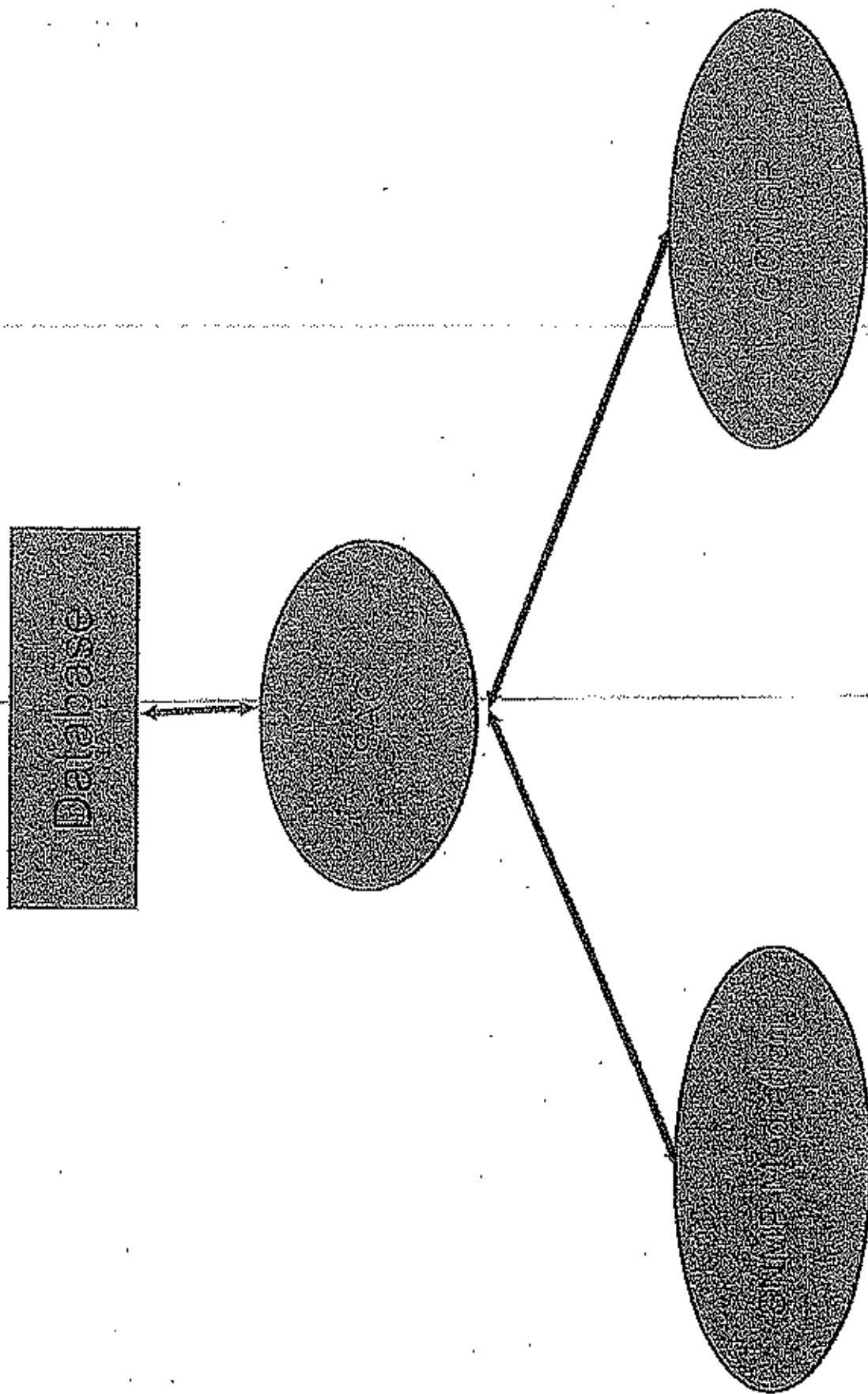








CONFIDENTIAL
DEMPROD00535



CONFIDENTIAL
BMPROD00536

EXHIBIT L

[REDACTED] 09/07/2006 09:03:11 [REDACTED]

To: david.wagner@motorola.com, QA6060@email.mot.com
cc: atemidis@us.ibm.com, kavitz@us.ibm.com
Subject: Conference Call to resolve payment
Importance:Urgent

Dave & Mike,
I would like to set up a conference call to discuss any issues for payment, determined by our completed audit, of \$6,486,882.00 .

Please let me know who will be on the call from your side and if today or tomorrow (09/08) is best for you.
Also please select a time that best fits your schedule.

My manager, Andre Temidis, will be joining the call as well.

Thank you,
Dave

[REDACTED]

Dave Kavitz
SSR Strategic Accounts
IBM Information Management Solutions
Phone: 512-869-7278
Cell: 512-965-3377
E-mail: kavitz@us.ibm.com

11

CONFIDENTIAL
IBMPROD01031

EXHIBIT M

From: David Kavitz [mailto:kavitz@us.ibm.com]
Sent: Monday, September 25, 2006 5:23 PM
To: Wagner David-C21375
Cc: Motorola Frank-CFM017; Clark Kenneth-Q12556; atemidis@us.ibm.com; George.Shanine@us.ibm.com
Subject: Amount Owed IBM
Importance: High

Dave,
My manager (Andre Temidis) and I met with Ken last Tuesday 9/19. George Shanine (IBM; Information Management Brand Leader, Central Region) and I met again with Ken and his manager Mark Ennis on Wednesday 9/20. Both meetings were placed to discuss the Compliance Audit and answer questions pertaining to the audit.

With you being on vacation there was no one represented iDEN. Since the amount iDEN owes \$402,690.00 is the least amount in question it did not seem to be an issue.

Is iDEN in agreement with the attached spread sheet?

Best Regards,
Dave

IBM

Dave Kavitz
SSR Strategic Accounts
IBM Information Management Solutions

cc:

EXHIBIT N

From: Andre Temidis on 10/02/2006 01:53 PM
To: David Kavitz/Chicago/IBM, Jeri Savey, Dennis Allen/Chicago/IBM@IBMUS, Michael Terrell/Vienna/IBM@IBMUS
cc: George Sharine/Chicago/IBM@IBMUS
Subject: Motorola - Quite Period
Importance: Urgent

Team,

Until further notice, we are in a quite period with Motorola, regarding the audit. No one is to communicate with Motorola, unless George and I have approved the communication(s).

We need to maintain a single point of contact with Motorola.

Thank you,

Andre Temidis
Channel Sales Manager - Central Region
IBM Software Group
Tel (516) 349-3466 Fax (845) 432-0738
2 Jericho Plaza
Jericho, NY 11753
atemidis@us.ibm.com
www.ibm.com/software/

CONFIDENTIAL
IBMPROD00920